



Connecticut DOT

Bureau of Engineering and Construction

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## ENGINEERING & CONSTRUCTION DIRECTIVE

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Bureau Chief

### Minimum Daily Liquidated Damage Rates

Federal regulations require that agencies periodically review the liquidated damages utilized in construction contracts. The Department recently completed a review of actual construction-related incidental costs for 2014 - 2015. As a result, an adjustment in the minimum daily liquidated damage rates is needed to more closely correspond with actual costs. The actual (2014-2015) rates and minimum rates for future contracts are shown in the table below.

Estimated Contract Value (\$)	Actual Daily Incidental Cost (\$)	Minimum Daily Liquidated Damages Assessment (\$)
0 – 500,000	1,603	1,600
500,000 – 1,000,000	1,783	1,800
1,000,000 – 3,000,000	2,050	2,100
3,000,000 – 5,000,000	2,462	2,500
5,000,000 – 10,000,000	3,655	3,700
10,000,000 – 25,000,000	4,093	4,100 *
Over 25,000,000	10,121	10,000 *

\* Incidental costs for projects over \$10 million vary widely. Computation of project-specific liquidated damages is recommended.

Please note that the values shown are the minimum daily liquidated damages, based on the actual costs (e.g., inspection, contract administration) incurred by the Department. Contract-specific liquidated damages should be further adjusted to reflect user costs, if any, associated with delays and interruptions caused to the traveling public.